

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

LEHMAN BROTHERS HOLDINGS INC., et al.,
Debtors.

Chapter 11

Case No. 08-13555 (JMP)

(Jointly Administered)

In re

LEHMAN BROTHERS INC.,
Debtor.

Case No. 08-01420 (JMP) SIPA

**STIPULATION AND AGREED ORDER BETWEEN BARCLAYS CAPITAL INC.
AND THE JOINT ADMINISTRATORS FOR THE LEHMAN EUROPEAN GROUP
ADMINISTRATION COMPANIES REGARDING CERTAIN CONTRACTS**

The Joint Administrators of the Lehman European Group Administration Companies¹
(the “Joint Administrators”) and Barclays Capital Inc. (“Barclays” and together the “Parties”),
by and through their respective counsel, hereby enter into this stipulation and agreed order
and stipulate and agree as follows:

BACKGROUND

A. Lehman Brothers Holdings Inc. (“LBHI”) and LB 745 LLC (“745”) filed
petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy
Code”) with the United States Bankruptcy Court for the Southern District of New York (the
“Bankruptcy Court”) on September 15, 2008, and September 17, 2008, respectively (Case
Nos. 08-13555 and 08-13600, such cases, the “Chapter 11 Cases”). On September 16, 2008,

¹ The Lehman European Group Administration Companies include Lehman Brothers International Europe, Lehman Brothers Holding Plc, Lehman Brothers Limited, LB UK RE Holdings Limited, Storm Funding Limited, Mable Commercial Funding Limited, Lehman Brothers Europe Limited and the other Lehman group companies in insolvency processes in the UK over which partners in PricewaterhouseCoopers LLP are appointed.

the Debtors (defined below) entered into an Asset Purchase Agreement (as amended, modified or clarified, the “Purchase Agreement”) with Barclays. On September 19, 2008, a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI,” together with LBHI and 745, the “Debtors”) and James W. Giddens was appointed as Trustee under SIPA (the “SIPC Trustee”) to administer LBI’s estate (Case No. 08-01420, such proceeding, the “SIPA Proceeding”).

B. Section 2.5 of the Purchase Agreement provides, inter alia, that for a period of sixty days after the Closing (as defined in the Purchase Agreement), Barclays may designate contracts related to the assets purchased (“Related Contracts”) for assumption and assignment to Barclays. On September 18, 2008, the Debtors designated certain executory contracts and unexpired leases for assumption and assignment to Barclays as of the Closing (the “Closing Date Contracts”) by listing those contracts in schedules (the “Schedules”) posted on <http://chapter11.epiqsystems.com/lehman> (the “Website”). On September 20, 2008, the Court entered (i) an order (the “Chapter 11 Sale Order”) approving the Purchase Agreement and the various transactions contemplated therein in the Chapter 11 Cases and (ii) an order approving, and incorporating by reference, the Chapter 11 Sale Order in the SIPA Proceeding.

C. On October 1, 2008 revised and updated Schedules (the “Revised Schedules”) were posted to the Website. The Revised Schedules designated as Closing Date Contracts, among others, (i) a “Master Agreement” between the Lehman entity “LBL” and “PINACL SOLUTIONS UK LTD” with a contact address of Optic Technium Centre, Ford William Morgan, St. Asaph Business Park, St. Asaph LL17 OJD (the “Pinacl Solutions Contract”), (ii) a “Standalone Agreement” between “LBL” and “WM Company” with a

contact address at World Markets House, Crewe Toll, Edinburgh EH4 2PY (the “WM Company Contract”), (iii) a “Master Agreement” between CQGI Limited and an unknown Lehman entity, as well as an “Amendment / Addendum / Schedule” between CQGI Limited and “Lehman Brothers”, each with a contact address at 21 St. Thomas Street, London, SE1 9RY (collectively, the “CQGI Contract”), (iv) an unspecified agreement with Maxcor (the “Maxcor Contract”), (v) an unspecified agreement between an unknown Lehman entity and “SunGard Business Integration (UK) Limited” (the “SunGard Contract”), (vi) various agreements with SimCorp Ltd, for which Lehman Brothers Holdings Inc. was referenced as the Lehman counterparty (collectively, the “SimCorp Contracts”), and (vii) various agreements between an unspecified Lehman entity and “Radianz” (collectively, the “Radianz Contracts”).

D. The Parties have since confirmed that (i) the parties to the WM Company Contract are The World Markets Company plc and Lehman Brothers Limited, a company incorporated in England and Wales, with registered number 846922 (“LBL”), (ii) the parties to the Pinacl Solutions Contract are Pinacl Solutions U.K. Limited and LBL, (iii) the parties to the CQGI Contract are CQGI Limited and LBL, (iv), the parties to the Maxcor Contract are Maxcor Financial Inc. and Lehman Brothers International (Europe), a company incorporated in England and Wales, with registered number 02538254 (“LBIE”), (v) the parties to the SunGard Contract are SunGard Business Integration (UK) Limited and LBL, (vi) the parties to the SimCorp Contracts are SimCorp Ltd. and LBL, and (vii) the parties to the Radianz Contracts are Radianz Global Sales Limited and LBL. LBL and LBIE are each a Lehman European Group Administration Company, over which the Joint Administrators have been appointed. Consequently, the Parties have concluded that the Pinacl Solutions Contract, the

WM Company Contract, the CQGI Contract, the MaxCor Contract, the SunGard Contract, the SimCorp Contracts, and the Radianz Contracts were each erroneously designated as Closing Date Contracts.

E. In addition, the Revised Schedules designate as a Closing Date Contract a contract between “LBSF” and an unknown Lehman entity (the “LBSF Contract”, and together with the Pinacl Solutions Contract, the WM Company Contract, the CQGI Contract, the MaxCor Contract, the SunGard Contract, the SimCorp Contracts, and the Radianz Contracts, the “Excluded Contracts”). LB SF No. 1 is a company incorporated in England and Wales, with registered number 06001928, and is a Lehman European Group Administration Company, over which the Joint Administrators have been appointed. Barclays has concluded that the LBSF Contract was erroneously designated as a Closing Date Contract.

NOW, THEREFORE, it is STIPULATED AND AGREED, subject to the approval of the Bankruptcy Court, by and between the undersigned parties as follows:

1. The Excluded Contracts are not Related Contracts. Accordingly, notwithstanding any prior notice given by Barclays or the Debtors: (a) none of the Excluded Contracts is a Closing Date Contract; and (b) the Excluded Contracts have not been assumed by the Debtors, nor assigned to Barclays. For the avoidance of doubt, this Stipulation supersedes any designation of the Excluded Contracts as Related Contracts or as Closing Date Contracts.
2. Inclusion of the Excluded Contracts in the Schedules shall not modify or otherwise affect whatever property rights the relevant Lehman Group Joint Administration Company has in the Excluded Contracts under applicable law.

3. Except as expressly set forth herein, the Parties reserve all of their rights and defenses against each other, including with respect to the Closing Date Contracts, the Related Contracts and the Excluded Contracts.

4. This Stipulation may be executed in counterparts, each of which, when so executed and delivered, shall be deemed to be an original and shall be binding on the Party who, through its counsel, signed the counterpart, all of which together shall constitute a single agreement.

5. The person who executes this Stipulation by or on behalf of each respective Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation on behalf of, and to bind, each such Party.

6. This Stipulation shall be governed by the laws of the State of New York, without regard to the application of New York's conflict of law principles.

7. The terms and conditions of this Stipulation shall be immediately effective and enforceable upon its approval by the Bankruptcy Court.

Dated: New York, New York
June 16, 2009

Linklaters LLP

/s/ Martin N. Flics

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SO ORDERED:

Dated: New York, New York
July 1, 2009

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge